

REMARKS

Claim 1 was rejected as being obvious over the January 21, 2000 publication of Charles Davis in Cards International, titled , “Simple Solution.” The Davis article describes a PocketCard by which a parent funds a credit-card like card by on-line access. The account is tied to a bank’s checking or savings account. Transactions can be monitored.

Applicant’s invention is for a system that does not require a student to carry a card or cash or check in order to make a purchase at a school. The system of the invention further provides the school with a mechanism for informing the parent of a student that upcoming events must be paid for, e.g., school picture taking day.

Claim 1 has been amended to patentably distinguish over Davis. An element has been added indicating that an input device is part of the system by which a student can manually input an i.d. number and password in order to make a purchase. Such a device eliminates the need for the student to carry a prepaid card.

The examiner comments that it would have been obvious to one of ordinary skill in the art, at the time the invention was made, to incorporate a password feature into the system of Davis (bottom p. 5 and top p. 6) of office action. Applicant respectfully submits that it is not the nature of credit cards to use a password. Also, the use of a username and password has a different objective in this invention: that is, to eliminate the need for the child to carry anything on his person which is subject to loss or theft.

Claim 2 has been rejected as being obvious over Davis regarding the “one parent to multiple student” feature. The examiner comments that “one of ordinary skill in the art would have been motivated to have [a common account for a plurality of students of a parent] done so in order to limit the number of cards a parent had to purchase. Applicant responds to the examiner’s position: The Davis system’s card would have only one unique identifier PER CARD, thus limiting the ability to distinguish which child made the purchase. The only way

that could be done is with multiple cards, each with a unique identifier for each child. Applicant is not aware of any system that ties a number of users to one account which also identifies which user made the purchase.

The examiner's reference to Claim 4 (Office Action page 6, ¶ 3), as to obviousness to notification of low account balances, and that "One of ordinary skill in the art would have been motivated to do so in order to provide greater control over the spending activity, as taught by Davis" is incorrect. First, notification would not provide any control over spending activity. Secondly, Davis' art does not teach a mechanism by which young children's accounts can be nurtured or "helped", for lack of a better term, with help from parents, schools, and the operators of the system. The system notifications present in Applicant's invention, not only allow the parents to help the child, but also the school systems themselves. With the computerized system and parents and schools helping the children, less financial burden is placed upon the child who uses the system. A system of safeguards to protect the child as well as to facilitate the child's transactions is needed but not taught in the Davis system. The Davis system is merely a credit card for a child with a predetermined spending limit.

With respect to Claims 7 and 8, the Examiner states that Davis does not teach that the account is a vendor account, but that he notes that this limitation is not functionally involved in the elements of the recited system. Applicant disagrees with the examiner in that there must be a means for transferring funds from a purchaser's account to a seller's account and that this is a functional element of the system. Also, from the standpoint of a school being a "seller of goods", the school necessarily not only wants to have funds transferred to their account for daily sales, but also wants a total accounting for what has been purchased by students, which students made purchases, and which specific department within the school made the sale, on a daily basis for proper accounting purposes.

With respect to Claims 9-12, the examiner rejects such claims regarding notification of a parent, an information database, and providing a particular school to information in the database. The examiner reasons that these limitations are not functionally involved in the elements of the recited system. Applicant respectfully disagrees with the examiner on this point.

School notifications are functionally involved elements of the system as a whole. The notification system removes the burden of custodianship of memos from the child and puts those notifications directly in the hands of the parent or guardian. These notifications from time to time can and WILL be notifications regarding PAYMENTS that must be made by the child or on behalf of the child to the school or to some associated school function or activity entity (e.g., school pictures). This allows the parent to make payment on behalf of the child through the system, or to allow for enough funds in the child's account so that the child may pay for this activity himself. This is an important feature of the system, because many children are not responsible enough to make sure that parents receive such notices. The notices are often lost or stuffed inside some book, inside a backpack only to be found weeks after the event or never found at all.

The examiner rejects Claims 6 (Office Action p. 9, ¶ 1) based on Davis in view of the Gardner et al. patent. The Gardner patent refers to monitoring account activity for irregular bookings in an airline industry. The methods for monitoring irregular bookings in an airline application would necessarily be different than monitoring irregular activity in a banking account due to identity theft or misuse of funds by a child. The monitoring of account activity is an integral part of this system defined by Claim 6, which taken as a whole, promotes the ability of the system to provide an effective method for children to spend funds while protecting those funds deposited into his account. The child does not have the ability

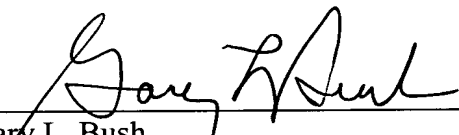
to monitor his account and the system will act as a double check safeguard so that the parent doesn't have to monitor the account on a minute by minute basis.

Claim 13 has been amended to indicate that a school information database is part of the information base of Claim 11.

Claim 14 has been cancelled and replaced with new Claim 15 which defines the statistical information about a school in a database means for providing access to such statistical information. New Claims 16 and 17 provide specifics regarding the authorized entity. New Claim 18 is a detailed claim including all the elements of a preferred embodiment of the invention.

Allowance of the claims and passage of the application to issue are respectfully requested.

Respectfully submitted,

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